

Pareto Bond Funds - Update

Nordic Economies and Nordic Bond Markets in January 2025

Norges Bank, Sveriges Riksbank, and the Federal Reserve held interest rate meetings without making any changes. The ECB has held its meeting in the first days of February, likewise with no changes in the central bank key rate. American and Norwegian interest rates rose marginally, while those in Europe and Sweden fell marginally. Increased public budgets, which are debt-financed, and a world order with increased trade frictions may lead to price pressure; risk of inflation cannot therefore be ruled out.

The Nordic credit market has good liquidity, and the primary market was active in January, following a record setting 2025. Several issuances were made with longer maturities to take advantage of the relatively low credit spreads.

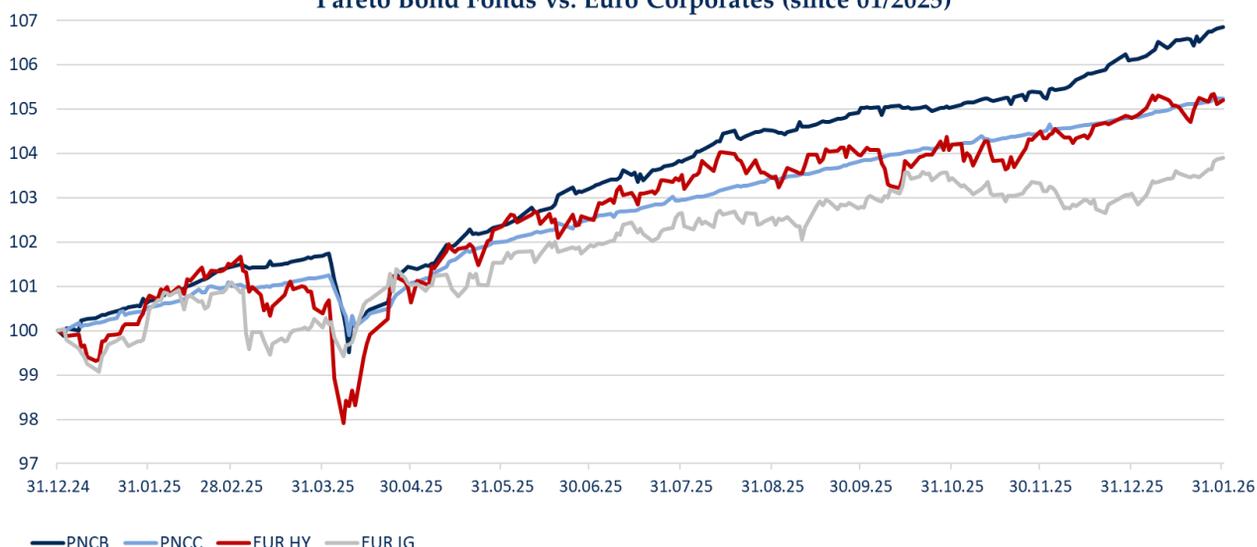
Pareto Nordic Cross Credit [Article 8 of SFDR]	Pareto Nordic Corporate Bond [Article 8 of SFDR]	Pareto ESG Global Corporate Bond [Article 9 of SFDR]
Highly diversified Nordic credit fund. The fund excludes investments into oil-related activities, holding a fossil free profile guided by sound ESG principles. It offers broad access to the quality end of high-yield and crossover segment with ultrashort duration and relatively short time to maturity. Strategy inception was in 2001, initially as a Norwegian fund.	Diversified across some 120 issuers in a wide range of business sectors. Conservative style based on deep inhouse credit analysis. Local market knowledge offers opportunities in this predominantly unrated market. Short duration and attractive credit spreads in an economically strong region. Strategy inception in 2006, initially as a Norwegian fund.	Fund with well-diversified portfolio of global credits, managed from our Nordic base, yet with a global view. As a Nordic Swan ECO labeled fixed income fund, it follows strict requirements on sustainability criteria for every investment made. Focus is on non-cyclical businesses in the US, European and Nordic regions with relatively short duration.

The core of every Pareto bond strategy is a bespoke credit assessment process, based on long-standing proprietary credit evaluation models, combined with dedicated local expertise and access to the issuers. The approach provides a Nordic/Global corporate credit exposure with **low geopolitical risk and a sound ESG profile**.

	Pareto Nordic Cross Credit	Pareto Nordic Corporate Bond	Pareto ESG Global Corporate Bond
Yield to Maturity NOK	5.2%	7.0%	6.0%
Yield to Maturity EUR	3.5%	5.2%	4.3%
Average Spread-to-Worst	119 bps	299 bps	197 bps
Modified Duration	0.3	1.0	2.4
Credit Spread Duration (Sensitivity)	1.9	2.2	3.0
Time to Maturity	2.2	2.8	4.0
Assets under Management (mEUR)	1,065	1,693	182
# of Issuers	144	111	90
2026 YtD Return EUR	0.4%	0.7%	0.6%

Pareto Nordic Cross Credit [Article 8 of SFDR]	Pareto Nordic Corporate Bond [Article 8 of SFDR]	Pareto ESG Global Corporate Bond [Article 9 of SFDR]
<p>January is behind us, and the US president has undeniably held the Nordics in suspense. Despite geopolitical tensions, credit markets were broadly stable during the month, with spread levels largely unchanged across the Nordic, European and US markets.</p> <p>Pareto Nordic Cross Credit delivered a return above the portfolio's running yield.</p> <p>The fund has returned 0.4% in EUR terms, and 0.5% in NOK terms for the month, respectively. This brings the one-year performance to 4.5% in EUR, and 6.7% in NOK, respectively.</p> <p>On the back of steady inflows into the fund, we have traded bonds worth just over NOK 1 billion this month, mainly purchases. We participated in two issues, Traton/Scania (automotive/heavy vehicles) and NorgesGruppen (food, consumer goods). Other purchases were made in existing holdings across all sectors.</p>	<p>The fund had a good start to the year, with a monthly return well above the underlying portfolio carry in January.</p> <p>The fund has returned 0.7% in EUR terms, and 0.8% in NOK terms for the month, respectively. This brings one-year performance to 6.1% in EUR and 8.3% in NOK, respectively.</p> <p>The primary market was active in January, with a total of 19 transactions priced, including three debut issuers. Activity was characterised by a high share of tap issues in existing bond issuers. A total volume of NOK 14 billion was priced, somewhat below the start of the record year 2025.</p> <p>One new issuer was added to the portfolio, Navios Maritime Partners. Navios is one of the largest publicly listed shipping companies globally, with a strong presence across tanker, container and dry bulk markets.</p> <p>The fund participated in two high-yield primary issues during the month: Performance Shipping (shipping) and Hospitality Invest (diversified).</p>	<p>Despite geopolitical tensions affecting markets throughout the month, Pareto ESG Global Corporate Bond delivered a strong performance, exceeding the fund's running yield.</p> <p>Bonds issued by women's health company Organon rallied during the month following rumours of a potential buyout bid from India-based Sun Pharma, an event that would trigger the bonds' change-of-control covenant. Our 2034 bond gained around 10% on the news. Transport company Mobico also delivered a strong performance after reports that it is in late-stage negotiations with German public transport authorities regarding its onerous rail transport contracts. Both issuers were among the largest detractors to last year's performance. We have remained confident in the underlying credit quality of these companies and are pleased that this is now paying off.</p> <p>The fund has returned 0.4% in EUR terms, and 0.6% in USD terms for the month, respectively. This brings one-year performance to 4.1% in EUR and 6.4% in USD, respectively.</p>

Pareto Bond Funds vs. Euro Corporates (since 01/2025)

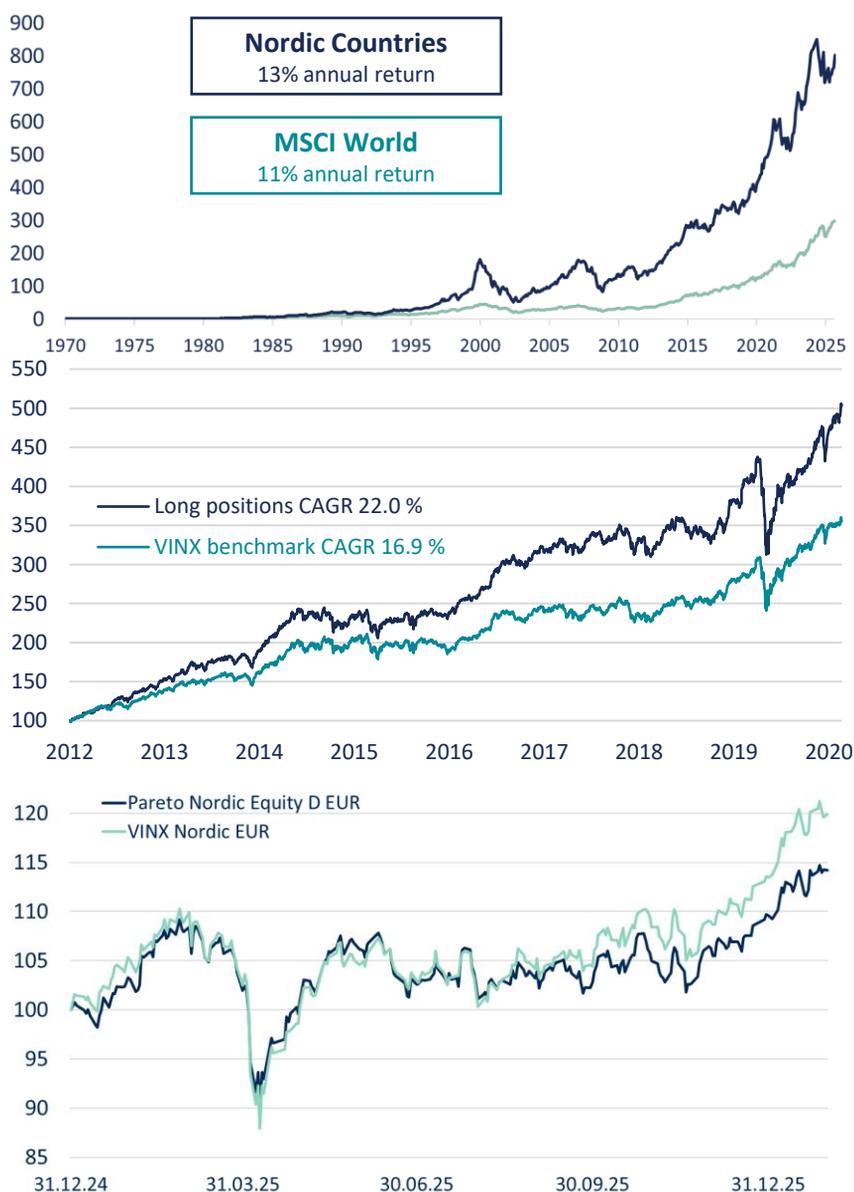


Pareto Nordic Equity - Update

Pareto Nordic Equity in January 2026

January was marked by strategic news from several of our portfolio companies, while the quarterly reporting season provided an updated picture of operational developments at the start of the year. Taken together, the reports confirm our view of a portfolio consisting of companies with strong market positions, solid profitability and robust balance sheets, with several also pointing to improving market prospects in their respective segments.

Strong reports with improving outlooks across several industries are boosting our optimism. When we add the renewed growth prospects from Novo Nordisc's Wegovy launch in the U.S., we can see a strong year ahead for our portfolio.



Data as of 31.01.2026

Nordic Outperformance

The Nordic equity markets have shown superior performance over many years, characterized by being top notch in sustainability implementation. A consistently business friendly and innovative environment, with strong governance: The Nordics provide a great setting for value creation.

Pareto Track Record

The fund's lead portfolio manager has managed a Nordic mixed fund since 2012; the performance of the long equity positions from 2012 to 2020 have outperformed the Nordic Index by 5% (22.0% vs. 16.9%) p.a.

Value Creation

A concentrated portfolio of sustainability leaders and a focus on long-term capital return. The investment process is seeking companies with low financial leverage and good predictability of earnings, for a portfolio with downside protection and long-term out-performance.

Fund Key Data [Art. 8 of SFDR]

Return YTD [D EUR]	4.2%
Volatility (1 year, ann.)	16.1%
# Holdings	24
AuM [in m€]	203

Bond Fund Share Classes (sample) [min. initial investment]	Pareto Nordic Cross Credit	Pareto Nordic Corporate Bond	Pareto ESG Global Corporate Bond
R / A / A EUR [1 €]	LU2200514128	LU1608101579	LU1327537681
R / A / - NOK [1 €]	LU2200513666	LU0922130215	
A / H / H EUR [1/5m €]	LU2023199552	LU1311575093	LU1199946242

Equity Fund Share Classes (sample) [min. initial investment]	Pareto Nordic Equity D EUR [min. 5m €]	Pareto Nordic Equity D NOK [min. 50m NOK]	Pareto Nordic Equity B NOK [min. 1 share]
ISIN	LU1904797732	LU1653072915	LU1904797575



Dr. Oliver Roll
Niederlassungsleiter / Country Head

+49 69 333 983 522
+49 176 3666 5211

Oliver.Roll@paretoam.com



**Branch Germany /
Niederlassung Frankfurt**

+49 69 333 983 520

The ONE (Floor 34)
Brüsseler Str. 1-3
60327 Frankfurt / Germany



Thorsten Dierich
International Business Development

+49 69 333 983 524
+49 160 813 4426

Thorsten.Dierich@paretoam.com



Ivan Mlinaric
International Business Development

+49 69 333 983 523
+49 160 817 0253

Ivan.Mlinaric@paretoam.com

Disclaimer

- This is a marketing communication, not a contractually binding document. Please refer to the prospectus of the fund and do not base any final investment decision on this communication alone. Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skills, the fund's/portfolio's risk profile, as well as fees for subscription, management and redemption. Returns may be negative as a result of negative price developments.
- Pareto Asset Management seeks to the best of its ability to ensure that all information given is correct, however, makes reservations regarding possible errors and omissions. Statements in the report may reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without prior notice. The distribution of this information may be restricted by law in certain jurisdictions and this information is not intended for distribution to any person or entity in such jurisdiction.
- This presentation should not be perceived as an offer or recommendation to buy or sell financial instruments. Pareto Asset Management does not assume responsibility for direct or indirect loss or expenses incurred through use or understanding of the presentation.
- Subscription and redemption fees are not taken into account in the historical performance given for our funds, this could affect the return adversely.
- Unless otherwise stated, the performance information given does not take into account any tax that may be incumbent on the product and / or customer. The tax treatment of the funds depends on the personal circumstances of each client and can be subject to future changes.
- Expectations of future performance should not be used as a reliable indicator of future performance. Such expectations do not take into account the effects of inflation and taxes, which will have a negative impact in real terms.
- In preparing this document we have relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources or which was provided to us or otherwise reviewed by us. The information contained in this document has been taken from sources deemed to be reliable. We do not represent that such information is accurate or complete and it should not be relied on as such. Any opinions expressed herein reflect our judgment at this date, all of which are accordingly subject to change. Pareto Asset Management AS accepts no liability whatsoever for any direct, indirect or consequential loss arising from the use of this document or its contents.
- Fund prospectus, KIID, annual and semi-annual reports are available here www.paretoam.com/en/fund-reports. Other information is available at www.paretoam.com/en/client-information. Financial information and information about management and control is available from <https://www.paretoam.com/clientinformation>
- Employees of Pareto Asset Management AS have holdings in the mutual fund described herein.
- The source is Pareto Asset Management unless otherwise stated. Read more about us, our products and risks associated with financial instruments on our website www.paretoam.com.